



HIGH COURT OF AUSTRALIA

Public Information Officer

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NEWS LIMITED, NATIONAL RUGBY LEAGUE INVESTMENTS PTY LTD, AUSTRALIAN RUGBY LEAGUE LIMITED AND NATIONAL RUGBY LEAGUE LIMITED v SOUTH SYDNEY DISTRICT RUGBY LEAGUE FOOTBALL CLUB AND OTHERS

The High Court of Australia today upheld an appeal by News Ltd against a decision that South Sydney was dropped from the National Rugby League competition in contravention of the Trade Practices Act.

News Ltd and the Australian Rugby League agreed in 1997 to merge Super League, involving 10 clubs, and the ARL, involving 12 clubs, including South Sydney, into one competition, the NRL. The NRL was to be national, and to have less than the total number of clubs in the existing competitions. The formation of the NRL was not challenged on the basis that the merger had the purpose of substantially lessening competition, but on a narrower ground concerning the number of teams in the NRL being reduced to 14 by 2000. Two teams dropped out of the original 22, and the NRL was to progress from having no more than 20 clubs in 1998 and no more than 16 in 1999, to no more than 14 in 2000. Some clubs merged with other clubs to stay in the competition while a new team, Melbourne Storm, became one of the eventual 14. South Sydney was ultimately excluded from the 2000 competition and challenged the 14-team limitation on the basis that it was an exclusionary provision in contravention of sections 45(2)(a)(i) and 45(2)(b)(i) of the Trade Practices Act.

The question was whether the 14-team term in the NRL partnership agreement had the purpose of preventing, restricting or limiting the supply of services by News Ltd and the ARL to, or the acquisition of services by News Ltd and the ARL from, particular persons or classes of persons. In the Federal Court, Justice Paul Finn held that the term did not have that purpose. The Full Court of the Federal Court, by a 2-1 majority, reached the opposite conclusion. News Ltd appealed to the High Court.

The Court, by a 4-1 majority, upheld Justice Finn's decision and allowed News Ltd's appeal against the decision of the Full Court.

- *This statement is not intended to be a substitute for the reasons of the High Court or to be used in any later consideration of the Court's reasons.*